

Date 5/24/11
Topic Act 47 of 1987
Meeting Objectives "Financially Distressed Municipalities"
→ "Municipalities Financial Recovery Act"

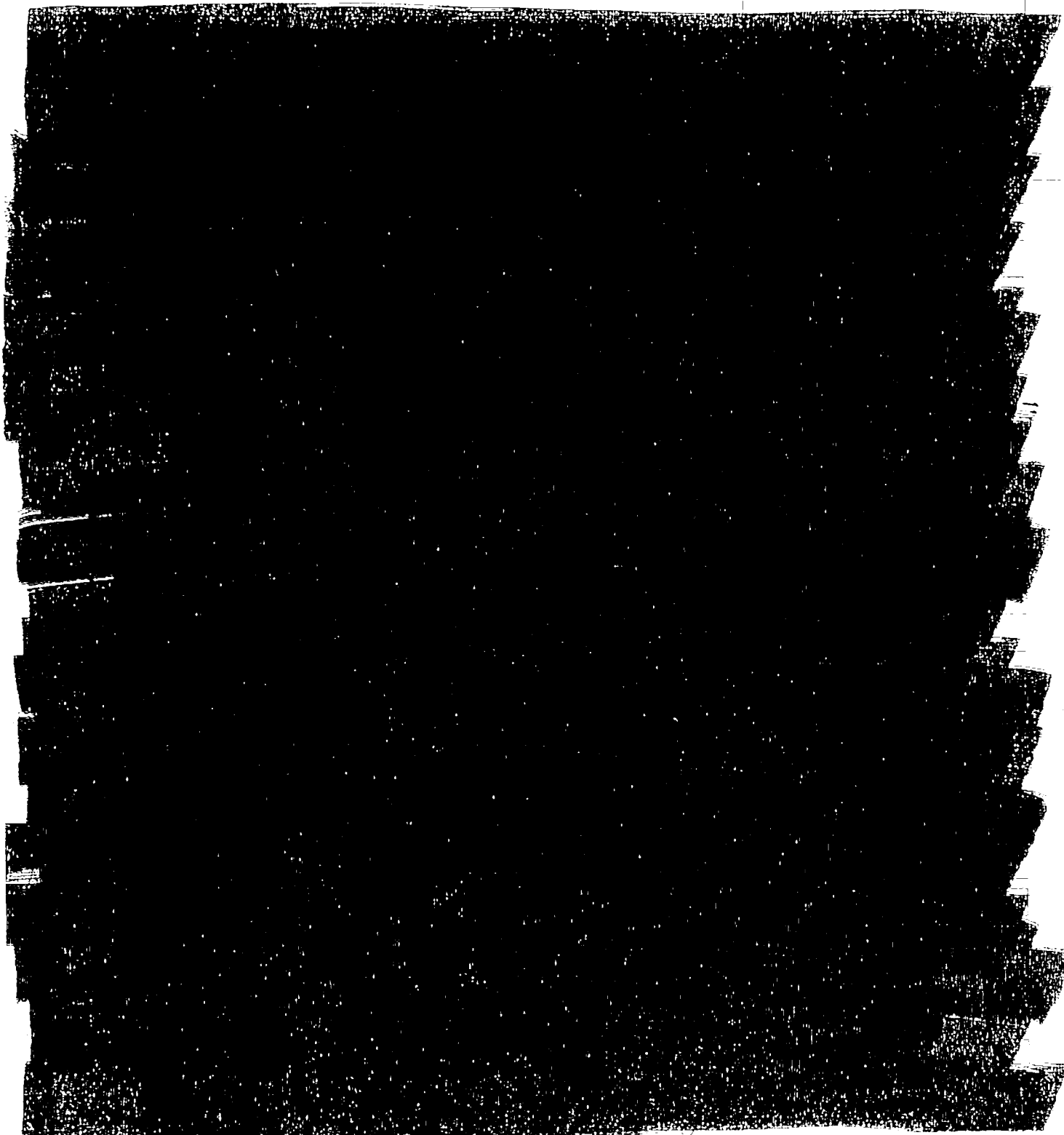
PERSONAL

Attendees TWC / LG Conley
WFW / SOA / AMK
ECA / JB
Saylor / Hudic
Forkman / Reddig
B. O'Donnell

Date 5/25/11 (140-255)
Topic Act 47
Meeting Objectives _____

Attendees TWC/LG Cawley
WFW/SSA/AMK/LSB
ECA/Schultz/Sayler
Haste/Rapp/+ S.
Chuck Zwilling/Jay Wenger

PERSONAL



Date 6/3/11 (4:00 - 4:30)
Topic Act 47 Meeting / Summary
Meeting Objectives _____

Attendees WLC
WFW
KFH
SOA
AB

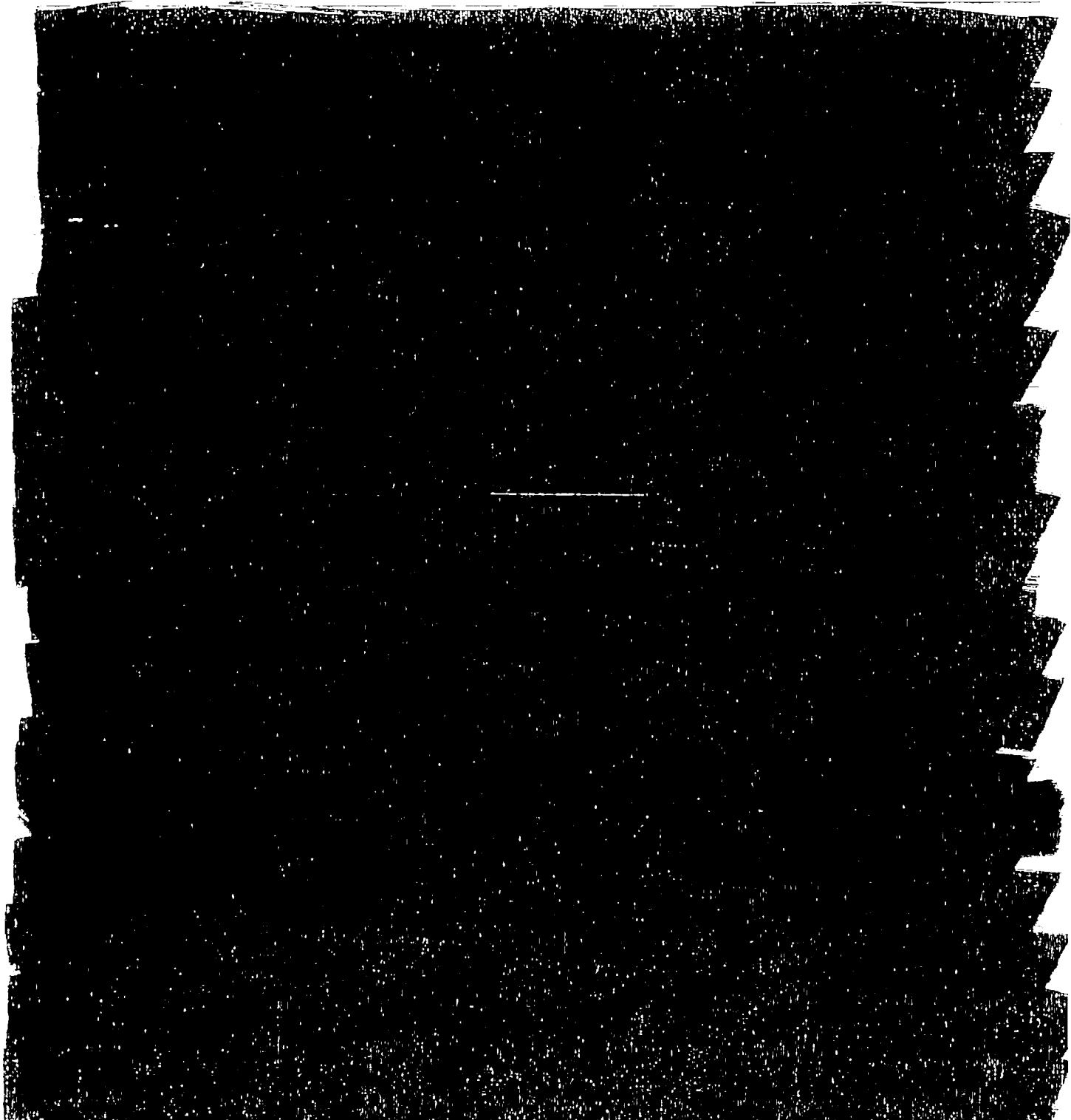
PERSONAL



Date 2/16/11 (11:30-11:45)
Topic Harrioburg, PA DCED Act 47
Meeting Objectives _____

PERSONAL

Attendees TWC/JC
WFW/JB
Walker/Kudze
★ OG - Schulze
PRIVILEGED
CONFIDENTIAL



Date 6/14/11 (11:00-12:00)

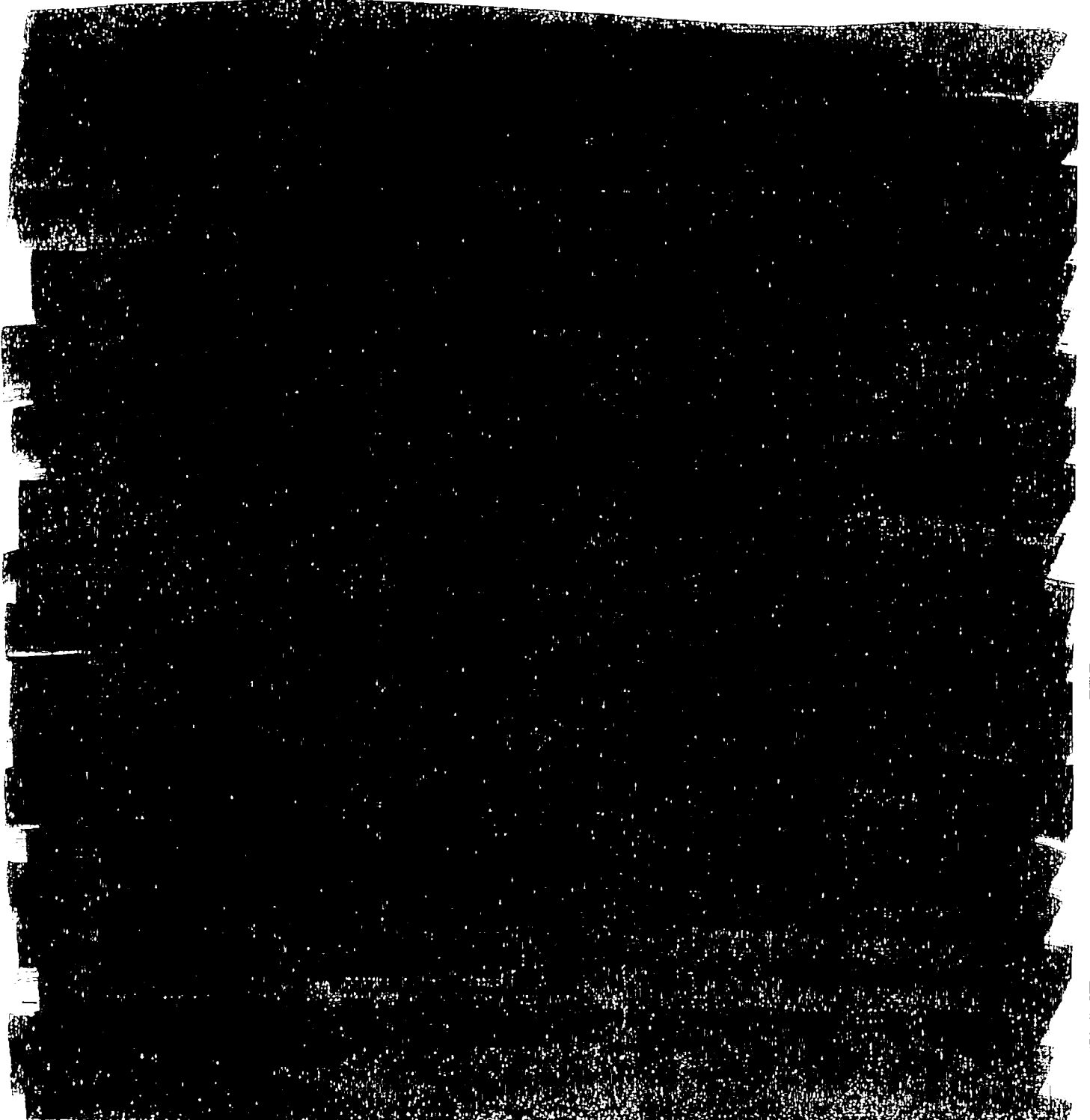
(BUDGET)

Topic RAC

Meeting Objectives "Action to Date"

PERSONAL

Attendees TWC/JC
WFW/CZ/SSA
LB/Guy/Ritter
Tuttle/Archer/
JB/AMK/



Branstetter, Jennifer

From: Schultz, James D. (GC)
Sent: Monday, May 23, 2011 2:24 PM
To: Branstetter, Jennifer
Cc: Aichele, Stephen (GC)
Subject: Tuesday meeting - act 47

Jen - [REDACTED] I will
join you at the Wednesday Act 47 Meeting

James D. Schultz | First Executive Deputy General Counsel
Governor's Office of General Counsel
Commonwealth of Pennsylvania
333 Market Street, 17th Floor | Harrisburg, PA 17101
Phone: 717.772.4255 | Fax: 717.783.7206
janschultz@state.pa.us
www.ogc.state.pa.us

Branstetter, Jennifer

From: Reddig, Frederick
Sent: Thursday, June 02, 2011 6:46 PM
To: Branstetter, Jennifer; Hudic, Rich; Tartline, Peter; Ciarrocchi, Guy; Fishman, Steven (DCED); Krot, Harry; Drizos, Stephen
Subject: Hbg Act 47 Info
Attachments: Qutlline for June 3 Governor's meeting.doc

Attached is [REDACTED] for [REDACTED] tomorrow's meeting.



Fred A. Reddig
Executive Director
Governor's Center for Local Government Services
Department of Community & Economic Development
717-720-7387
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
www.newPA.com | www.visitPA.com

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Branstetter, Jennifer

From: Jen Branstetter [jenbranst@yahoo.com]
Sent: Wednesday, June 01, 2011 5:24 PM
To: Branstetter, Jennifer
Subject: Fwd: JUNE 8TH MEETING

Subject: FW: JUNE 8TH MEETING

fyi

From: Christensen, Nan [mailto:njchristensen@mette.com]
Sent: Wednesday, June 01, 2011 12:05 PM
To: jhaste@dauphinc.org; GHartwick@dauphinc.org; mpries@dauphinc.org;
Odonnellr@aol.com; sfishman@state.pa.us; tfrey@saul.com; Jgkonos@saul.com; Stanley
Rapp; jwenger@susgrp.com
Subject: JUNE 8TH MEETING

This will confirm that the meeting among representatives of Dauphin County, the Act 47 coordinator and representatives of AGM will be held in the offices of Mette, Evans & Woodside, 3401 North Front St., Harrisburg, at 2:00 on June 8, 2011.

If there are any questions, please advise.

Chuck Zwally

Nancy J. Christensen
Assistant to Charles B. Zwally, Esquire
njchristensen@mette.com
3401 North Front Street
P.O. Box 5950
Harrisburg, PA 17110-0950
PHONE (717) 232-5000
FAX (717) 236-1816

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Abruzzo, Christopher

Subject: Act 47 t/c (A. Pugliese, C. Abruzzo & F. Reddig)
Location: Chris' Office

Start: Fri 2/18/2011 2:30 PM
End: Fri 2/18/2011 3:00 PM

Recurrence: (none)

Meeting Status: Accepted

Required Attendees: Abruzzo, Christopher; Reddig, Frederick; Pugliese, Anthony

When: Friday, February 18, 2011 2:30 PM-3:00 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Chris' Office

~~*~*~*~*~*~*~*~*

Abruzzo, Christopher

Subject: TWC/Ward/S. Aichele/Walker/Kaiser/Branstetter/Abruzzo/Hudic/Reddig/O'Donnell Act 47
team meeting

Location: Governor's Residence

Start: Tue 5/24/2011 10:30 AM

End: Tue 5/24/2011 12:00 PM

Recurrence: (none)

Meeting Status: Accepted

Required Attendees: Ward, William (GOV); Abruzzo, Christopher; Kaiser, Annmarie; Branstetter, Jennifer; Aichele, Stephen (GC); Walker, C. Alan; Hudic, Rich; Reddig, Frederick; 'odonnellr@aol.com'

Optional Attendees: Costabile, Kathy; Saylor, Chad; Schultz, James D. (GC)

When: Tuesday, May 24, 2011 10:30 AM-12:00 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Governor's Residence

~~*~*~*~*~*~*~*~*

TWC

Ward

S. Aichele

Sec. Walker

Kaiser

Branstetter

Abruzzo

Hudic (DCED)

Reddig (DCED)

Bob O'Donnell (DCED)

Abruzzo, Christopher

Subject: TWC/Ward/S. Aichele/Kaiser/Branstetter/Abruzzo Dauphin County stakeholder meeting re:
Act 47 w/ Commissioner Jeff Haste/Charles Zwally/Jay Wenger/Stan Rapp
Location: Governor's Residence
Start: Wed 5/25/2011 1:30 PM
End: Wed 5/25/2011 3:00 PM
Recurrence: (none)
Meeting Status: Accepted
Required Attendees: Ward, William (GOV); Kaiser, Annmarie; Branstetter, Jennifer; Abruzzo, Christopher; Aichele, Stephen (GC)
Optional Attendees: Costabile, Kathy; Schultz, James D. (GC)

When: Wednesday, May 25, 2011 1:30 PM-3:00 PM (GMT-05:00) Eastern Time (US & Canada).
Where: Governor's Residence

~~*~*~*~*~*~*~*~*

Ward
S. Aichele
Kaiser
Branstetter
Abruzzo

Commissioner Jeff Haste is planning to attend the meeting. He will be accompanied by the following:
Charles Zwally, Attorney, Mette Evans & Woodside
Jay Wenger, Susquehanna Group Advisors
Stanley Rapp, Greenlee Partners

Abruzzo, Christopher

Subject: ACT 47-mtg
Location: DCED

Start: Fri 6/3/2011 1:00 PM
End: Fri 6/3/2011 2:00 PM

Recurrence: (none)

Corbett, Thomas W

From: McLure, Jill
Sent: Monday, May 23, 2011 4:54 PM
To: Corbett, Thomas W
Cc: Westmoreland, Brian
Subject: Schedule tomorrow

[REDACTED] The Act 47

[REDACTED] team meeting was moved to 10:30 am at the Residence.

[REDACTED]

Please contact me if you have any questions. Thank you.

Jill F. McLure | Director
Office of Scheduling and Advance
308 Main Capitol Building | Harrisburg, PA 17120
Phone: 717-772-9041 | Fax: 717-783-1153

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Branstetter, Jennifer

[REDACTED]

-----Original Message-----

From: Reddig, Frederick
Sent: Friday, June 03, 2011 9:14 AM
To: Ciarrocchi, Guy
Subject: RE: Meeting

Guy:

Since the Wednesday meeting with Jen and the follow up weekly call later on Wednesday we had with the 47 Team [REDACTED]

We had earlier blocked out 2 hours of time for discussion with Jen and Steve. I still believe their time will be in that range.

You are welcome to join at any time.

Thanks...Fred

Fred A. Reddig
Executive Director
Governor's Center for Local Government Services Department of Community & Economic Development
717-720-7387
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
www.newPA.com | www.visitPA.com

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-----Original Message-----

From: Ciarrocchi, Guy
Sent: Friday, June 03, 2011 9:06 AM
To: Reddig, Frederick
Subject: RE: Meeting

For planning purposes, do you envision this Full meeting(s) running from 1 until ???

[REDACTED]

-----Original Message-----

From: Reddig, Frederick

Sent: Friday, June 03, 2011 9:04 AM

To: Novak, Julia; Odonnell@aol.com; Joe Boyle; 'Espenshade, John W.'; Ciarrocchi, Guy; Tartline, Peter; Fishman, Steven (DCED); Krot, Harry; Geiger, Ed; Drizos, Stephen; Yates, Jamie (Fulginiti)

Subject: FW: Meeting

[REDACTED]

have the 47 Team continue to plan to meet at 1

[REDACTED]

Thanks...Fred

Fred A. Reddig

Executive Director

Governor's Center for Local Government Services Department of Community & Economic Development

717-720-7387

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Harrisburg, PA 17120-0225

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-----Original Message-----

From: Branstetter, Jennifer

Sent: Friday, June 03, 2011 12:44 AM

To: Reddig, Frederick

Cc: Hudic, Rich

Subject: Meeting

Hi Fred-

[REDACTED] we need to move the Act 47 meeting to 3:00. Does that time change pose any issues?

Thanks much,
Jen

Branstetter, Jennifer

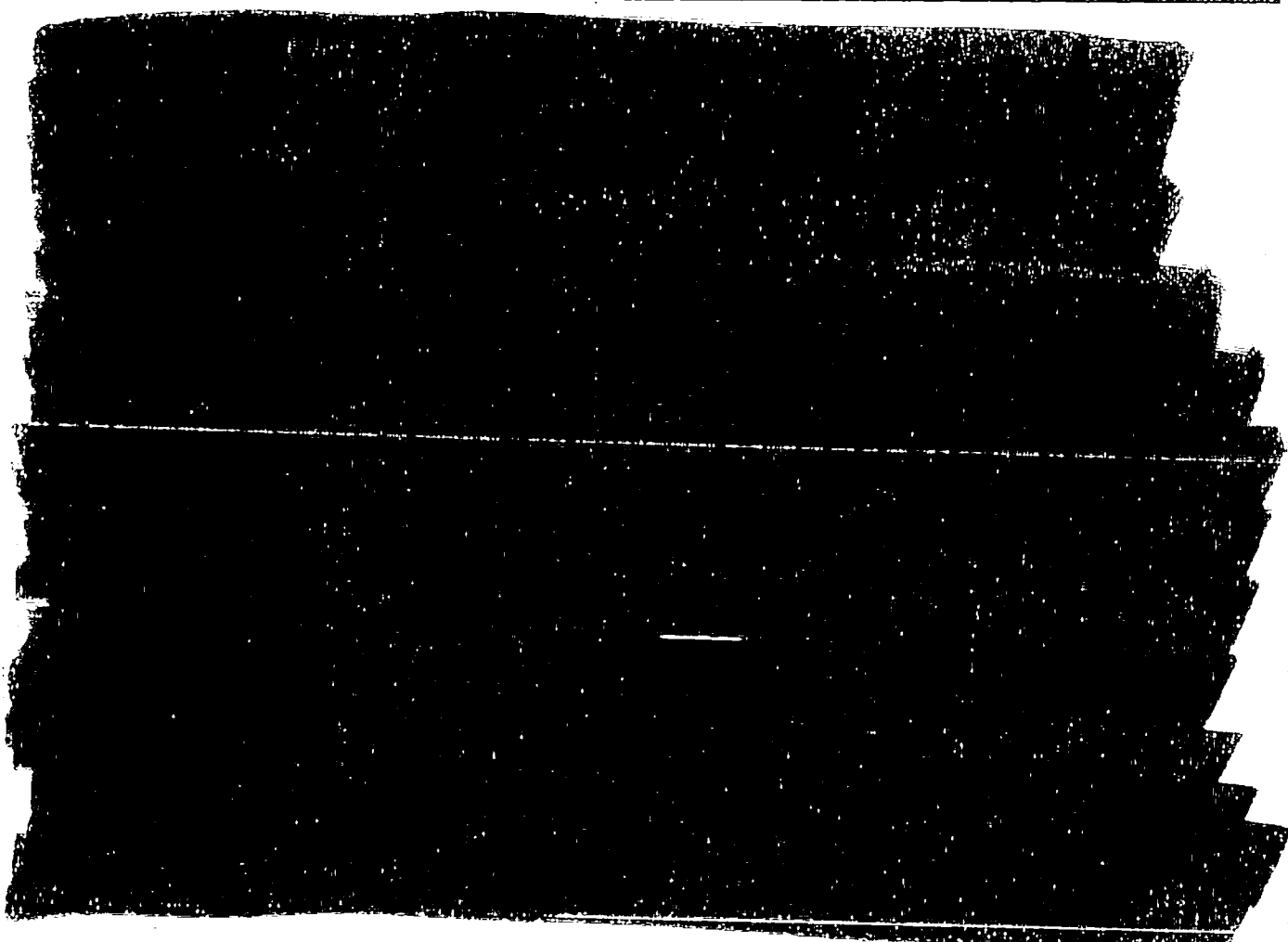
[REDACTED]

From: Zogby, Charles
Sent: Monday, June 06, 2011 11:23 AM
To: Tartline, Peter; Donley, David
Cc: Schultz, James D. (GC)
Subject: Harrisburg

A team from the front office is meeting later this week (Wed. I believe) with the Act 47 team for Harrisburg as well as officials from Dauphin County.

[REDACTED]

Branstetter, Jennifer



From: Branstetter, Jennifer
Sent: Tuesday, June 07, 2011 3:29 PM
To: Reddig, Frederick
Subject: RE: Call with Assured Guaranty

It's fine for Stan to attend. Also, is there an agenda for tomorrow's meeting?

From: Reddig, Frederick
Sent: Tuesday, June 07, 2011 9:09 AM
To: Branstetter, Jennifer
Subject: FW: Call with Assured Guaranty

Good morning Jen!

Thanks for your note about the meeting. I've notified the parties of the room location and am working with your assistant Jen the arrangements access the building.

Below is the list of AGM attendees. Is it appropriate that their lobbyist attend?

Thanks...Fred



Fred A. Reddig
Executive Director
Governor's Center for Local Government Services
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From: Horn, Holly [mailto:HHorn@assuredguaranty.com]
Sent: Tuesday, June 07, 2011 8:35 AM
To: Reddig, Frederick
Subject: RE: Call with Assured Guaranty

Hi Fred. Attendees from Assured Guaranty will be the following:

Alex Makowski
Karen Hofstein
Kevin Lyons
Brian Siper
Holly Horn

Our counsel from Saul Ewing will include:

Tim Frye
Jim Gkonos

The County and Assured will also have our lobbyist, Stan Rapp.

Could you also send us the room number and address. Thank you.

Holly Horn
Assured Guaranty Municipal Corp.
31 West 52nd Street
New York, NY 10019
work (212) 339-3526
fax (212) 857-0407

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Branstetter, Jennifer

From: Reddig, Frederick
Sent: Wednesday, June 15, 2011 6:11 PM
To: Schultz, James D. (GC); Handelman, Jarad (GC); Branstetter, Jennifer; Walker, C. Alan; Hudic, Rich; Geiger, Ed; Kratz, Steven; Yates, Jamie (Fulginiti); Krot, Harry; Hughes, Lisa; Pugliese, Anthony
Subject: Harrisburg Update

Harrisburg Update

The Act 47 Team had a full day of meetings today. We started this morning with a meeting with Brian Hudson from PHFA.

[REDACTED]

The Team then met with the Patriot Editorial Board including Editorial Page Editor Jeannette Krebs, Editor David Newhouse, Heather Long, Laura Vescey and several others.

[REDACTED]

[REDACTED] The Patriot is also planning to do a full spread on Sunday and are reaching out to other Act 47 communities as well as other stakeholder groups in the City and region.

The Team then made a presentation to the Hbg Chamber at their retreat this pm. Dave Black coordinated this event. [REDACTED] There were about 40 in attendance.

[REDACTED]

Our final meeting of the day was with Dauphin County Commissioners at their public meeting this pm.

[REDACTED] Chuck Zwally went over the list of their concessions on the debt resolution.

[REDACTED] Commissioner Pries expressed concern.

[REDACTED]

[REDACTED] Commissioner Hartwick asked about

[REDACTED]

There are additional meetings scheduled over the next week with the Hbg Authority and Parking Authority. The Team will meet with Council next Tuesday. [REDACTED]
The Coordinator's public hearing will be on 6/28 at John Harris.

[REDACTED]

Fred



Fred A. Reddig
Executive Director
Governor's Center for Local Government Services
Department of Community & Economic Development
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400 North Street, 4th Floor
Harrisburg, PA 17120-0225

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Subject	Location	Start	End	Rec...	C...
Recurring (none) (79 items)					
Breakfast with Stan Rapp re: Act 47	Cafe Fresco	Fri 3/4/2011 8:30...	Fri 3/4/2011 9:30 AM		
Act 47 issues/pension reform	Jen's Office -...	Wed 4/20/2011 ...	Wed 4/20/2011 12:0...		
Approved Capital Projects	238 MC	Mon 4/25/2011 ...	Mon 4/25/2011 10:0...		
Harrisburg Act 47 Update	Conference ...	Thu 5/5/2011 9:3...	Thu 5/5/2011 10:00 A...		
Updated: Act 47 meeting	Greenlee	Wed 5/11/2011 ...	Wed 5/11/2011 4:00 ...		
Branstetter/Aichele Meet with Commissioner Haste and Stan Rapp re:...	Jen's Office	Mon 5/16/2011 ...	Mon 5/16/2011 10:0...		
TWC/Ward/S. Aichele/Walker/Kaiser/Branstetter/Abruzzo/Hudic/Red...	Governor's R...	Tue 5/24/2011 1...	Tue 5/24/2011 12:00 ...		
TWC/Ward/S. Aichele/Kaiser/Branstetter/Abruzzo Dauphin County st...	Governor's R...	Wed 5/25/2011 ..	Wed 5/25/2011 3:00 ...		
HOLD for Act 47 meetings		Wed 6/1/2011 1...	Wed 6/1/2011 4:00 PM		
Act 47	Conference ...	Thu 6/2/2011 3:1...	Thu 6/2/2011 3:45 PM		
Harrisburg Act 47 Meeting	Commonwe...	Fri 6/3/2011 1:00...	Fri 6/3/2011 3:00 PM		
Act 47	333 Market ...	Wed 6/8/2011 1...	Wed 6/8/2011 3:00 PM		

Act 47 Program

[REDACTED]

October 20 – Initial public hearing on Distressed Community designation held. [REDACTED]

[REDACTED]

- November 17 - Second hearing on distressed status held. [REDACTED]
- [REDACTED]

- January 24-25 - DCED and Act 47 Team held initial meetings with Mayor, Controller and Council.
- February – The Act 47 Team met with the County Commissioners and a group of civic leaders to introduce the team and the Act 47 process. [REDACTED]





From: Corbett, Thomas W

Sent: Sunday, May 22, 2011 08:20 PM

To: Costabile, Kathy

Subject: FW: TWC/Ward/S. Alchele/Kaiser/Branstetter/Abruzzo Dauphin County stakeholder meeting re: Act 47 w/
Commissioner Jeff Haste/Charles Zwally/Jay Wenger/Stan Rapp

When: Wednesday, May 25, 2011 1:30 PM-3:00 PM (GMT-05:00) Eastern Time (US & Canada).

Where: 238 Conference Room

Note: The GMT offset above does not reflect daylight saving time adjustments.



Jay Wenger, Susquehanna Group Advisors

Stanley Rapp, Greenlee Partners

Tuesday, May 24

9:00 – 10:30 AM Act 47 Team Meeting with Bill Ward, Steve Aichele, Sec. Walker, Annmarie Kaiser, Jen Branstetter, Chris Abruzzo, Rich Hudic (DCED), Fred Reddig (DCED) & Bob O'Donnell (DCED) [REDACTED]

[REDACTED]

Wednesday, May 25

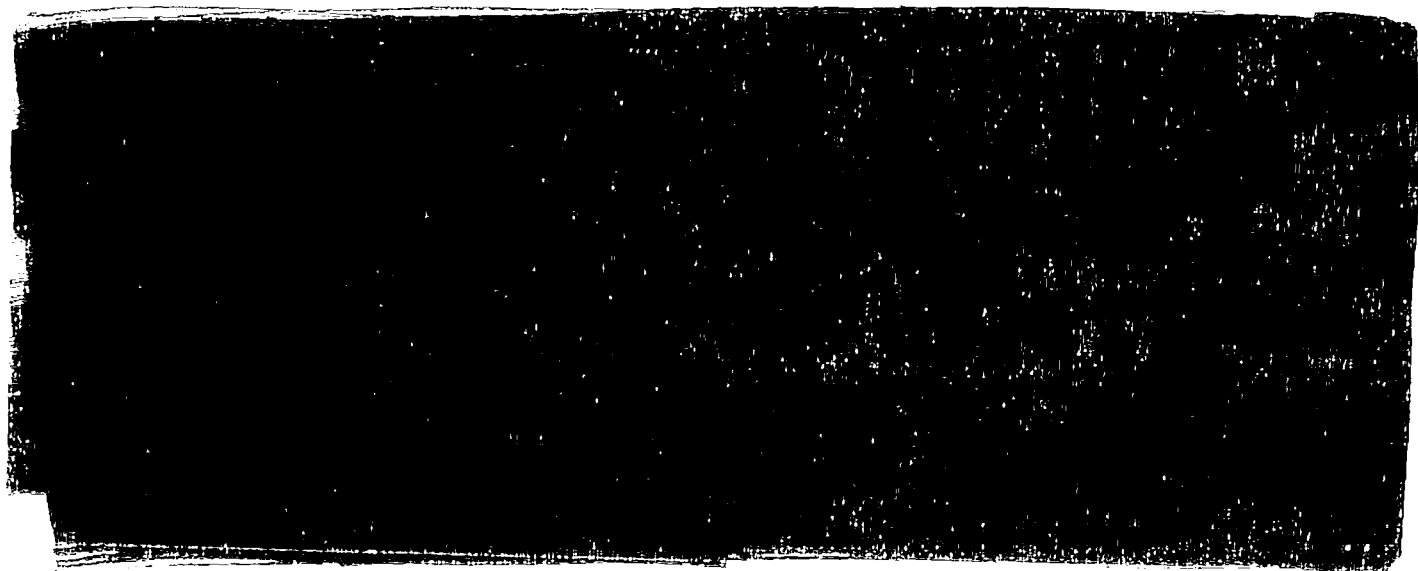
[REDACTED]

[REDACTED]

1:30 – 3:00 PM Dauphin County stakeholders meeting on Act 47 with Bill Ward, Steve Aichele, Annmarie Kaiser, Jen Branstetter, Chris Abruzzo, County Commissioner Jeff Haste and people from his team, and Stan Rapp [REDACTED]

[REDACTED]

[REDACTED]



Harrisburg Act 47 plan coordinator talks county sales tax, bankruptcy with Corbett administration

Tuesday, May 24, 2011, 5:04 PM

By Laura Vecsey The Patriot-News

The plan coordinator for Harrisburg's state-appointed Act 47 team was said to be meeting with Gov. Tom Corbett's staff today to discuss options for solving Harrisburg's \$310 million debt.

According to sources, former House Speaker Robert O'Donnell was set to discuss with state officials a sales tax for Dauphin County as part of the debt solution for the incinerator debt. O'Donnell was expected to carry a pretty searing message: Without a sales tax, which would take state legislation to enact, it's more likely that Harrisburg might have to file for Chapter 9 bankruptcy.

"What I've been trying to say the entire time is that everyone has to be involved. Everyone. The state, city, county, the authority, everyone," O'Donnell said Tuesday afternoon as he entered the state Capitol building.

"I said there would be pain for everyone and I said everything is on the table. People say 'Oh, Bob, you can't mean a sales tax or bankruptcy,' but I mean everything, everything is on the table," O'Donnell said, declining to confirm or deny details of his meeting with state officials.

O'Donnell and the Act 47 team appointed by the state Department of Community and Economic Development must deliver their plan for Harrisburg by June 25. O'Donnell said the exact configuration of the plan remains to be seen.

But the inclusion of a county-wide sales tax underscores the message O'Donnell delivered to the Harrisburg City Council earlier this month, when he said the sale of city assets alone would not alleviate the massive debt guarantee. Act 47 team members cautioned that the sale of city assets would wipe out revenue streams necessary for the city's future operations.

The city owes \$310 million, while Dauphin County is the second guarantor for \$100 million. The Harrisburg Parking Authority garages have been the continuing subject of a purchase offer by New York financier Jacob Frydman, who also offered a five-page proposal to buy the incinerator, too. The Lancaster Solid Waste Management Authority has offered \$124 million for the incinerator.

It is unclear what the Act 47 proposal will say about the sale of assets, however.

"Part of my job is to confront people with the facts and ask people to give me a contrary version. If there is one, then we can dig into those numbers. Everyone who has a stake, the state, too, needs to be presented with the options," O'Donnell said.

Denial by some stakeholders that they'll have to experience pain in resolving the incinerator debt could be more difficult after O'Donnell confronts state officials with the sobering options:

Last week, state Sen. Jeff Piccola disclosed that he was working on a bill that would force Harrisburg's fate into the hands of an appointed panel should the city fail to carry out the Act 47 plan. The idea was met with widespread criticism by city officials.

Maybe news about O'Donnell's tough talk with state officials about a countywide tax or Chapter 9 would sober all stakeholders to their eventual responsibilities.

"If that's true, that's a welcome development," O'Donnell said.

With the plan due within a month, the days for all stakeholders to resist concessions are growing fewer.

"When we confront this decision, there will be a plan. The hard part is having the will to carry it out," O'Donnell said.

Corbett, Thomas W

Subject: TWC/Ward/S. Aichele/Walker/Kaiser/Branstetter/Abruzzo/Hudic/Reddig/O'Donnell Act 47
team meeting

Location: Governor's Residence

Start: Tue 5/24/2011 10:30 AM

End: Tue 5/24/2011 12:00 PM

Recurrence: (none)

Meeting Status: Meeting organizer

Required Attendees: Ward, William (GOV); Abruzzo, Christopher; Kaiser, Annmarie; Branstetter, Jennifer; Aichele, Stephen (GC); Walker, C. Alan; Hudic, Rich; Reddig, Frederick; 'odonnellr@aol.com'

Optional Attendees: Costabile, Kathy; Saylor, Chad; Schultz, James D. (GC)

TWC

Ward

S. Aichele

Sec. Walker

Kaiser

Branstetter

Abruzzo

Hudic (DCED)

Reddig (DCED)

Bob O'Donnell (DCED)

Ward, William (GOV)

Subject: TWC/Ward/S. Aichele/Kaiser/Branstetter/Abruzzo Dauphin County stakeholder meeting re:
Act 47 w/ Commissioner Jeff Haste/Charles Zwally/Jay Wenger/Stan Rapp
Location: Governor's Residence
Start: Wed 5/25/2011 1:30 PM
End: Wed 5/25/2011 3:00 PM
Recurrence: (none)
Meeting Status: Accepted
Organizer: Corbett, Thomas W
Required Attendees: Ward, William (GOV); Kaiser, Annmarie; Branstetter, Jennifer; Abruzzo, Christopher; Aichele, Stephen (GC)
Optional Attendees: Costabile, Kathy; Schultz, James D. (GC)

Ward
S. Aichele
Kaiser
Branstetter
Abruzzo

Commissioner Jeff Haste is planning to attend the meeting. He will be accompanied by the following:
Charles Zwally, Attorney, Mette Evans & Woodside
Jay Wenger, Susquehanna Group Advisors
Stanley Rapp, Greenlee Partners

Ward, William (GOV)

Subject: TWC/Ward/S. Aichele/Walker/Kaiser/Branstetter/Abruzzo/Hudic/Reddig/O'Donnell' Act 47
team meeting

Location: Governor's Residence

Start: Tue 5/24/2011 10:30 AM

End: Tue 5/24/2011 12:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Corbett, Thomas W

Required Attendees: Ward, William (GOV); Abruzzo, Christopher; Kaiser, Annmarie; Branstetter, Jennifer; Aichele, Stephen (GC); Walker, C. Alan; Hudic, Rich; Reddig, Frederick; 'odonnellr@aol.com'

Optional Attendees: Costabile, Kathy; Saylor, Chad; Schultz, James D. (GC)

TWC

Ward

S. Aichele

Sec. Walker

Kaiser

Branstetter

Abruzzo

Hudic (DCED)

Reddig (DCED)

Bob O'Donnell (DCED)

Ward, William (GOV)

From: Aichele, Stephen (GC)
Sent: Sunday, June 05, 2011 1:03 AM
To: Ward, William (GOV)
Subject: RE: Act 47 Update

[REDACTED] of Act 47 after our
meeting with the Governor Friday afternoon...
S

Ward, William (GOV)

[REDACTED]

From: Alchele, Stephen (GC)
Sent: Thursday, June 02, 2011 4:54 PM
To: Ward, William (GOV)
Subject: RE: Act 47 Update

Jen met yesterday with Fred Reddig and Rich Hudic

[REDACTED]

Branstetter, Jennifer

From: Saylor, Chad
Sent: Wednesday, June 15, 2011 9:24 AM
To: Alchele, Stephen.(GC); Schultz, James D. (GC); Branstetter, Jennifer
Subject: vescey



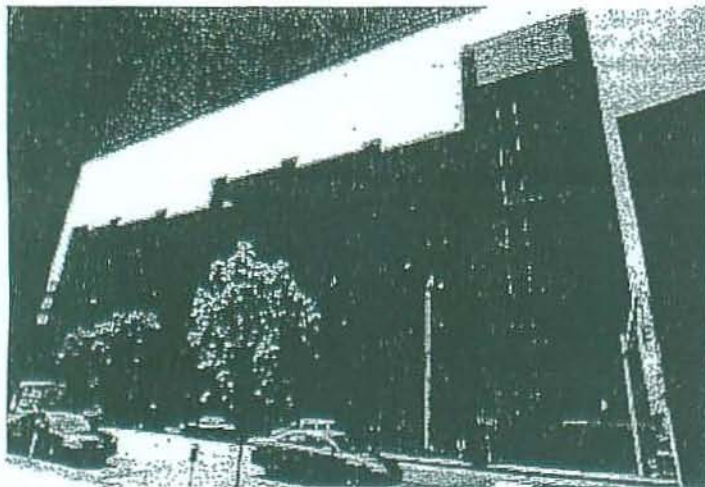
Commentary: Act 47 team showed no political will to do right thing

Published: Tuesday, June 14, 2011, 9:47 PM Updated: Wednesday, June 15, 2011, 8:53 AM



By Laura Vecsey

The recovery plan for Harrisburg asks the city to give up everything, including a future.



Enlarge PennLive.com Selling the city's parking lots and garages could net as much as \$100 million.. Also, Dauphin County will be asked to contribute \$2 million a year in gaming revenue toward supplementing income lost after the incinerator and parking facilities are sold.

- [Download the Act 47 plan](#)
- [Full Act 47 coverage](#)

[Tour the Act 47 Plan gallery \(9 photos\)](#)

"The Act 47 team said that the sale of assets would be short-term answers that don't fix the systemic problems," said Neil Grover, founder of Debt Watch Harrisburg.

"The plan doesn't protect the city at all. The taxpayers are the last people considered, especially when there's a 100 percent, 10-year tax abatement given to developers. In the big picture ... this is not a solution of any kind. It makes the city less safe. It makes the city property values go down. It makes the quality-of-life issues evaporate," he said.

"If the idea was that this plan would make that long-term [situation] better, they were either ill-informed or disingenuous."

One day after the team dropped its plan on the debt-strapped city, the stunning reality is clear: The taxpayers of Harrisburg were considered dead last by the Act 47 team.

"Did [Dauphin] county write the damn thing?" city Controller Dan Miller asked about the 418-page plan.

"I mean, why did [the Act 47 team] get so in bed with the county? Their solution is the worst-case scenario if we went bankrupt. How could any judge's ruling be any worse for the city? That makes this a great argument for bankruptcy," Miller said, adding the kicker:

"Who's going to vote for it?"

The answer is that a majority of City Council apparently won't.

Wanda Williams, Susan Brown-Wilson, Eugenia Smith and Gloria Martin-Roberts have all indicated they would not support the plan in its current form. On Tuesday, Brad Koplinski was consulting with outside counsel Cravath, Swaine & Moore on what the council's options are.

Evidence shows that the plan could not have more callously disregarded Harrisburg's future. This is especially egregious given that the Act 47 team, as well as others, insisted that Harrisburg must act like a responsible capital city and regional center even after it was picked clean by bond sellers, lawyers and elected and appointed officials.

Bankruptcy must be avoided, said David Black, head of the Harrisburg Regional Chamber. The impact would be felt beyond Harrisburg to the region and the commonwealth.

But if Harrisburg is that important, why did the Act 47 plan fail to include tools that could make bankruptcy a nonissue, including a commuter tax or increase in the county sales-tax rate?

The answer must be simple: Because there's no political will to do the right thing, only the will to punish the city for letting itself get picked clean.

For all the other massive failures and structural deficit in Harrisburg, the thing that brought Harrisburg into Act 47 is the incinerator. The fact that there's no call for an audit of the incinerator deal shows no accountability for how this debt was created.

But as bad as the incinerator deal was for Harrisburg, Dauphin County and bond holder Assured Guaranty, this Act 47 plan is worse.

After the presentation Monday night, the man who for months reached out to everyone involved in Harrisburg's debt crisis went silent. Act 47 team coordinator Robert O'Donnell was quick to exit city council chambers, and several attempts to reach him Tuesday were unsuccessful.

Does the former Pennsylvania House speaker feel uncomfortable defending the plan that he promised would spread the pain fairly among all stakeholders?

With the clock ticking toward a decision by the City Council, that was one of the questions swirling around the Act 47 plan's fate.

"[O'Donnell] wasn't in the meeting with me," said Miller, one of three city officials privately briefed on the plan Monday.

"I think the consultants were in over their heads. They spent a lot of time on the details and the function of the city, but when it came to solving the real, big problem, they were out of their league. If you want a plan that puts all the burden on the city, this is it," Miller said.

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Branstetter, Jennifer

From: Saylor, Chad
Sent: Wednesday, June 15, 2011 4:21 PM
To: Aichele, Stephen (GC); Branstetter, Jennifer; Schultz, James D. (GC)
Subject: harrisburg



Dauphin County would pay \$62 million over 20 years through Act 47 plan

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 By **Eric Veronikis, The Patriot-News**

Dauphin County would contribute \$62 million out of pocket over 20 years to help shore up Harrisburg's finances if city officials accept the Act 47 team's fiscal recovery plan, said Charles Zwally, an attorney advising the county on its role in the city's incinerator debt.

Zwally discussed the county's terms in the plan with the Act 47 team this afternoon during a public meeting with the county commissioners. The team introduced the plan Monday to city officials.

The plan asks the county to waive \$2 million in interest and collection fees the city owes it, give the city \$2 million in gaming revenue annually for five years and agree to graduated incinerator tipping fee increases through 2018, Zwally said. It also asks the county to pay other incinerator costs during the next two decades for the Lancaster County Solid Waste Management Authority, which has offered to buy the incinerator for \$124 million. The state-appointed Act 47 team has recommended the city sell the trash burning plant to Lancaster.

The county is agreeable to the terms should the city accept the plan, said Commissioner George P. Hartwick III.

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